

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Florida  
Division of Chesapeake Utilities  
Corporation for approval to  
issue common stock and secured  
and/or unsecured debt and to  
exceed limitation placed on  
short-term borrowings in 1999.

DOCKET NO. 981213-GU  
ORDER NO. PSC-99-1540-FOF-GU  
ISSUED: August 4, 1999

The following Commissioners participated in the disposition of this matter:

JOE GARCIA, Chairman  
J. TERRY DEASON  
SUSAN F. CLARK  
JULIA L. JOHNSON  
E. LEON JACOBS, JR.

ORDER GRANTING PETITION BY CHESAPEAKE UTILITIES CORPORATION FOR  
MODIFICATION OF AUTHORITY TO ISSUE COMMON STOCK DURING THE TWELVE  
MONTHS ENDED DECEMBER 31, 1999

BY THE COMMISSION:

On September 23, 1998, the Florida Division of Chesapeake Utilities Corporation (Chesapeake or the Company) filed an application seeking Commission approval to issue and sell equity securities and short-term obligations during the calendar year 1999.

Chesapeake sought authority to issue up to 5,000,000 shares of common stock, \$70,000,000 in long-term secured and/or unsecured debt and \$40,000,000 of short-term borrowings pursuant to section 366.04, Florida Statutes, and Chapter 25-8, Florida Administrative Code. The Company proposed to issue up to 731,034 new shares of its common stock for the purpose of administering its Retirement Savings Plan, Performance Incentive Plan, Automatic Dividend Reinvestment and Stock Purchase Plan and conversion of the Company's Convertible Debentures. Reserved for issuance pursuant to the Company's Retirement Savings Plan were 45,082 shares of common stock. Chesapeake's financial condition indicated that the

DOCUMENT NUMBER-DATE

09249 AUG-4 99

PSC-RECORDS/REPORTING

ORDER NO. PSC-99-1540-FOF-GU  
DOCKET NO. 981213-GU  
PAGE 2

issuance and sale of the securities as described in the original application would not impair the ability of Chesapeake to perform the services of a public utility. We approved the Company's application in Order No. PSC-98-1678-FOF-GU, issued December 10, 1998.

On June 25, 1999, Chesapeake filed the instant Petition for Modification of Authority to Issue Common Stock During the Twelve Months Ending December 31, 1999. In this petition, Chesapeake seeks authority to issue up to 50,000 new shares of common stock in addition to the 45,082 shares of common stock previously approved for its Retirement Savings Plan in 1999.

The Company is not requesting a change in the aggregate amount of stock we approved in Order No. PSC-98-1678-FOF-GU, issued December 10, 1998. It is requesting that we approve the issuance of additional stock in order to allow Chesapeake to administer its Retirement Savings Plan. The Company asserts that there have been no major changes in its financial position since the filing of its earlier petition for 1999.

Based upon the representations in its petition, we believe that Chesapeake's Petition for Modification of Authority to Issue Common Stock During the Twelve Months Ended December 31, 1999, would not impair Chesapeake's ability to perform the services of a public utility. Therefore, we grant Chesapeake's petition.

It is therefore

ORDERED by the Florida Public Service Commission that the Petition by Chesapeake Utilities Corporation for Modification of Authority to Issue Common Stock During the Twelve Months Ended December 31, 1999, is granted. It is further

ORDERED that this docket shall remain open until April 15, 2000, for monitoring and to allow the company time to file the required Consummation Report.

ORDER NO. PSC-99-1540-FOF-GU  
DOCKET NO. 981213-GU  
PAGE 3

By ORDER of the Florida Public Service Commission this 4th day  
of August, 1999.



BLANCA S. BAYÓ, Director  
Division of Records and Reporting

( S E A L )

GAJ

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of Records and reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.